

## Message Text

CONFIDENTIAL

PAGE 01 STATE 210547  
ORIGIN IO-14

INFO OCT-01 ISO-00 /015 R

66011  
DRAFTED BY IO/UNA:JFTEFFT  
APPROVED BY IO/UNA:JFTEFFT  
-----044193 182115Z /21  
O 182024Z AUG 78  
FM SECSTATE WASHDC  
INFO USMISSION USUN NEW YORK IMMEDIATE 9702

C O N F I D E N T I A L STATE 210547

FROM UNA

FOLLOWING REPEAT OF NAIROBI 12260 SENT ACTION SECSTATE INFO  
ADDIS ABABA BONN BUJUMBURA DAR ES SALAAM KIGALI USCINCEUR VAIHINGEN  
CINCUSNAVEUR LONDON AUG 16.

QUOTE: C O N F I D E N T I A L NAIROBI 12260

E.O. 11652: GDS  
TAGS: PEPR, UG  
SUBJ: CURRENT SITUATION IN UGANDA

1. HUGH DUNN, THE AUSTRALIAN HIGH COMMISSIONER IN NAIROBI,  
VISITED UGANDA LAST WEEK. AT A MEETING OF DIPLOMATIC UGANDA  
WATCHERS IN NAIROBI, HE REPORTED THE FOLLOWING, STRESSING  
THAT MUCH OF HIS INFORMATION WAS HEARSAY AND IMPRESSION  
RATHER THAN HARD FACT.

2. THE LEVEL OF TENSION IN UGANDA, BOTH IN KAMPALA AND  
THROUGHOUT THE COUNTRYSIDE, IS CONSIDERABLY HIGHER THAN AT  
THE TIME OF DUNN'S PREVIOUS VISIT SOME FOUR MONTHS AGO.  
THE FIRING OF MOSES ALI, FORMER FINANCE MINISTER AND ONE  
OF THE MOST COMPETENT PEOPLE IN GOVERNMENT, HAS CLEARLY SET  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 210547

AMIN SOMEWHAT AT ODDS WITH THE NUBIAN ELEMENT IN THE ARMY  
AND HAS CAUSED HIM TO TAKE INCREASED SECURITY MEASURES.  
ARMED GUARDS AND PATROLS WERE IN EVIDENCE EVERYWHERE THE  
HIGH COMMISSIONER VISITED. THERE WAS, HOWEVER, NO EVIDENCE  
OF ANY NEW WAVE OF KILLINGS. MOSES ALI IS ALIVE AND WELL  
UP IN HIS HOME VILLAGE.

3. ALTHOUGH THERE SEEMS TO HAVE BEEN A STORM, AMIN EVIDENTLY HAS WEATHERED IT, AND THERE IS NO INDICATION OF AN IMMINENT COLLAPSE OF THE REGIME. THE ARMY IS STILL ALL POWERFUL, AND NO ONE BELIEVES THAT ANY CHALLENGE COULD BE MOUNTED FROM THE CIVILIAN SIDE. THERE WAS GENERAL AGREEMENT AMONG ALL WITH WHOM THE HIGH COMMISSIONER SPOKE, BOTH EXPATRIATE AND UGANDAN, THAT THE EXILES POSE NO THREAT TO AMIN.

4. THE ECONOMY IS IN A STATE OF QUASI COLLAPSE. AMIN'S FOREIGN CURRENCY RESERVES ARE COMPLETELY EXHAUSTED, AND THE GOVERNMENT OPERATES FROM MONTH TO MONTH ON CURRENT REVENUES FROM COFFEE SALES. POL SUPPLIES CONSUME 50 PERCENT OF ALL AVAILABLE FOREIGN EXCHANGE. AMIN IS STILL HAVING PROBLEMS WITH KENYA, WHICH RESTRICTS THE QUANTITY OF UGANDAN COFFEE PASSING OVERLAND TO MOMBASA EACH MONTH. AMIN IS CONSEQUENTLY STILL AIR-FREIGHTING COFFEE TO DJIBOUTI AND PERHAPS OTHER PORTS, BUT NOT ENOUGH CAN BE MOVED IN THIS FASHION TO BRING IN SIGNIFICANT REVENUES. THE UGANDANS COMPLAIN LOUDLY OF KENYA'S INTRASIGENCE, ADMITTING THAT THEY DO OWE KENYA A FAIR AMOUNT OF MONEY, BUT ARGUING THAT THEY CANNOT EARN THE WHEREWITHAL TO PAY OFF THESE DEBTS UNLESS THEY CAN EXPORT THEIR COFFEE. (BELGIAN AMBASSADOR COMMENTED THAT 100 FREIGHT CARS BUILT IN BELGIUM FOR UGANDA HAVE BEEN HELD FOR SEVERAL WEEKS IN MOMBASA BY THE KENYANS, WHO HAVE GIVEN NO INDICATION AS TO WHEN THEY MIGHT RELENT  
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 210547

AND RELEASE THEM. IF UGANDA HAD THESE CARS, IT WOULD BE ABLE TO SHIP A GOOD BIT MORE OF ITS COFFEE THROUGH KENYA BY RAIL.) SOME \$40-MILLION IN CONTRACTS FOR VARIOUS GOODS, PLACED DURING PERIOD WHEN COFFEE WAS HIGH AND ACCESS TO PORTS EASIER, HAVE BEEN CANCELLED. UGANDA AT PRESENT HAS ABOUT 90,000 TONS OF COFFEE IN WAREHOUSES AWAITING SHIPMENT.

5. ONE OF THE COUNTRY'S GREATEST ECONOMIC PROBLEMS IS THE DIFFICULTY EXPERIENCED BY BOTH PUBLIC AND PRIVATE SECTORS IN ATTRACTING EMPLOYEES. THERE ARE VERY FEW CONSUMER GOODS TO BE FOUND ANYWHERE, INCLUDING SUCH BASICS AS SALT AND SUGAR, WHICH RENDERS THE UGANDAN CURRENCY, FOR ALL PRACTICAL PURPOSES, ALMOST WORTHLESS. AN INCREASING NUMBER OF PEOPLE, THEREFORE, CHOOSE NOT TO ACCEPT EMPLOYMENT.

6. THE SUBSISTENCE SECTOR OF THE ECONOMY IS, ON THE CONTRARY, FLOURISHING. IT WAS APPARENT IN THE HIGH COMMISSIONER'S TRAVELS OUTSIDE OF KAMPALA THAT THE PEASANTRY HAS PLENTY TO EAT BUT, LIKE THOSE WHO SELL THEIR LABOR, HAVE BASICALLY DROPPED OUT OF THE CASY MARKET.

7. ALTHOUGH THE ECONOMIC PICTURE IS EXTRAORDINARILY GLOOMLY,

NEITHER THE HIGH COMMISSIONER'S INTERLOCUTORS IN UGANDA  
NOR THE MEMBERS OF THE UGANDA WATCHERS GROUP HERE FELT  
THERE WOULD BE QUICK DEMISE OF THE AMIN REGIME. ALL  
SEEMED TO THINK THAT AMIN WILL CONTINUE TO SELL ENOUGH  
COFFEE TO KEEP THE GOVERNMENT OPERATING AT A MINIMAL  
STANDARD AND, MORE IMPORTANTLY, TO FURNISH THE ARMY WITH  
ENOUGH IMPORTED CONSUMER GOODS TO KEEP THE SOLDIERS  
CONTENT AND THUS ENSURE THE SECURITY OF THE REGIME.

8. NO ONE HAD SEEN OR HEARD OF ANY CUBAN MILITARY PRESENCE  
IN UGANDA.

9. AMIN DID NOT DRIVE IN THE RACE, ALL STORIES TO THE  
CONTRARY NOTWITHSTANDING.  
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 STATE 210547

LE MELLE  
UNQUOTE VANCE

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** POLITICAL STABILITY, ECONOMIC CONDITIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 18 aug 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978STATE210547  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** JFTEFFT  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780338-1157  
**Format:** TEL  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780847/aaaabnby.tel  
**Line Count:** 138  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** ed50e360-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN IO  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 27 apr 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 1690868  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** CURRENT SITUATION IN UGANDA  
**TAGS:** PEPR, PINS, ECON, UG, (AMIN DADA, IDI)  
**To:** USUN NEW YORK  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/ed50e360-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014